GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1350
ANSWERED ON:02.03.2001
BUDGET ESTIMATIONS OF THE MINISTRIES
M.V.V.S MURTHI

Will the Minister of FINANCE be pleased to state:

(a) whether faulty budget estimation and the undesirable tendency of the Ministries to grossly overestimate their funds required, not only lead to inefficient use of funds but also deprive other important sectors of the economy of the much needed resources; and

(b) if so, the corrective steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) & (b) General Financial Rules provide the methodologyfor correct estimation of requirements of funds. Excesses/savings over the approved Grants have not been significant. The trend of expenditure is reviewed by the Ministries concerned inconsultation with the Finance Ministry and suitable adjustments are madeat the Revised Estimates stage. Instances of savings and excesses over the approved appropriations are also commented upon in the Reports of the Comptroller and Auditor General of India, which are examined by the Public Accounts Committee and their recommendations placed before the Parliament.